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Federal Communications Commission  
445 12<sup>th</sup> Street SW  
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RE: MB Docket No. 04-210

I believe the FCC has totally missed the boat in the conversion of television broadcasting from analog to digital. Digital television is not what it is cracked up to be. Public Notice DA 04-1497, dated 27-May-2004, further misses the boat in properly soliciting comments.

## **Public Notice**

If it had not been for my interest in radio communications, I don't think I ever would have seen the public notice seeking comments on MB Docket No. 04-210. If the FCC wishes to seek a true representation of quantitative data, then something more aggressive than a *Public Notice* should be pursued. The FCC should:

- Pursue public service announcements for households to respond.
- Encouraging broadcasting stations to solicit comments on behalf of the FCC.
- Use a data collection mailing via the USPS (no telephone surveys, thank you).

I suspect the *Public Notice* will not reach the individuals that are ultimately going to be affected the most by the conversion, those that may not be able to afford the cost of upgrading TV sets to digital.

The *Public Notice* fails to ask for quantitative data on:

- MVPD subscribers who would prefer not to be.
- Whether MVPD service is provided by cable, satellite, or other technology.
- The cost and ongoing increases for MVPD services.

## **Digital Television**

Over the air digital television is never going to be DVD quality. From a viewer perspective, digital television is not the nirvana that is being presented (kind of like BPL). I will agree that picture quality is enhanced with digital signals. When signal quality is less than optimum, digital pictures are difficult to view. As opposed to getting static noise on the video screen, the picture is pixilated and/or drops out completely.

With a residence 60 miles from the nearest broadcast source, the opportunity for less than optimum signals is high. Having lived in several parts of the country, I have experienced the trials and tribulations of getting a good analog television signal. I expect the quality of over-the-air broadcast television to take a step backward, not forward.

**Over-the-Air Television Viewers**

This household (grudgingly) is connected to an analog multi-channel video service provider (MVPD), via cable. A total of five analog-only televisions exist connected to the MVPD or an antenna.

Please note I used the adverb “grudgingly” to describe my desire to subscribe to a MVPD. I would just as soon do without a MVPD. This is not one of the options offered in your solicitation of quantitative data.

My main objection to MVPD is the increasing cost due. Over the past seven years, I have been **forced** to accept unreasonable rate increases each year. The subscription rate in Feb-1997 was \$25.84 and is \$48.23 today, an average 9.4% increase each year. Is this reasonable? I don’t think so.

I believe these increases are caused by two factors:

- The lack of competition in MVPD. The only alternative to my cable service is satellite. The cost of satellite reception has kept pace with the cable MVPD.
- The content providers have “Microsoft-ed” the MVPD industry into accepting the terms of service. The MVPD has little or no leverage to effectively negotiate.

I indicated that I am being “forced” to use MVPD. Being in a relatively rural setting requires the use of an external antenna to get full network coverage. The current building codes for the State of Minnesota make it extremely expensive to think about installing a tower. The standard Rohn 25G tower that has been used for years as a tower no longer complies with the building code rating for wind and ice loads.

Many new housing developments prevent external developments. This further forces households to utilize MVPD. With little or no competition in the marketplace, the escalating fees for service will continue to rise unchecked.

**Subsidy**

Although not specifically stated, it is apparent in the *Public Notice* that the favored FCC solution appears to be universal MVPD. I suspect the FCC will attempt to fund universal MVPD in a manner similar to the telephone service. This is a totally unacceptable solution. It is a shell game in an attempt to make up for bad decisions and regulation on the part of the FCC. I’ve yet to understand how the Universal Service Fund works for telephone service. We don’t need another hidden tax.

The FCC could have required a long time ago for television sets to be both digital and analog. Today's televisions are not throw away devices with a short life. Equipment manufacturers balked because it increases the cost of manufacture. If the digital addition had been handled like the "V-chip", the discussion on digital television would be a moot point today. But the FCC failed and this is not a current option --- or is it????

Today's television are universally "cable ready". Remember the cable converter boxes that sat on top of television sets? It really was just a separate tuner that is now built into the television. The industry can make the same adjustment for digital television. The problem is market forces. As a manufacturer, I don't want to add \$25 to the cost of a television to add a feature the consumer does not need. On the other hand, if all manufacturers are required to add that feature, there is not a competitive disadvantage.

Televisions will continue to require analog inputs for quite some time until VHS tapes are a thing of the past. Why would the FCC want to require user to return to a converter box?

If the FCC defers it grand (but faulty) plan to 2014, the conversion could be accomplished with minimal disruption to the consumer.

### Summary

- The FCC must do a better job of collecting the requested data. An obscure *Public Notice* is not sufficient.
- The FCC must expand on the information being requested to fill the voids highlighted above.
- The suggestion that the FCC should be allowed to deny access to 15% of the viewing public is absurd.
- Requiring all consumers to relay on MVPD is not an option. Why even worry about broadcast signals when no one will utilize over-the-air signals? How will the cost of service be regulated to avoid uncontrolled fees increases?
- Implementation of a *Universal Service Fee* is a hidden tax and must not be a consideration.

Sincerely,

Tom Karnauskas